WESTERN MASSACHUSETTS ELECTRIC COMPANY

MDTE No. 1014B Cancels MDPU No. 586

POWER PURCHASE SCHEDULE Page 1 of 2

AVAILABILITY: This purchase arrangement is available to any qualifying facility.

METERING: The Company shall install, read and maintain the metering equipment necessary to measure flows from the qualifying facility to the Company. Where the qualifying facility owns the necessary metering equipment and relieves the Company of all investment, the charge for installation and maintenance shall be actual invoice cost plus applicable Company overheads. The reading and handling charge shall be \$5.00 per month. Where the Company owns the metering equipment, the charge shall be the initial invoice cost of the metering equipment including standard installation charges times 2.5% per month plus the reading and handling charge of \$5.00 per month.

PURCHASE OF CUSTOMER GENERATION: The Company will purchase electricity supplied by the qualifying facility in accordance with the following:

Prior to the Company's auction of its generation units, for the purpose of this rate, the Company's avoided cost will be its backstop cost of providing Standard Service or such rates as ordered by the Massachusetts' DTE. Following such auction the Company's avoided cost, for the purpose of this rate, will be determined as the lesser of: 1) NEPOOL's market clearing price, or 2) the Company's average cost of Standard Service supply. Where these costs are not time-differentiated, the time-differentiated purchase rates given below may not be applicable.

On-Peak Hours: 7 a.m. to 11 p.m. E.S.T. weekdays, excluding designated holidays. The

Company will purchase electricity supplied by the qualifying facility during On-Peak Hours at a price equal to the Company's loss adjusted

on-peak avoided energy cost per kWh.

Off-Peak Hours: All other hours. The Company will purchase electricity supplied by the

qualifying facility during the Off-Peak Hours at a price equal to the

Company's loss adjusted off-peak avoided energy cost per kWh.

The voltage level at which purchases are made shall be the level at which sales are made by the Company to the customer, unless otherwise agreed by the Company.

Qualifying facilities that have a design capacity of more than 60 kilowatts shall have their energy metered and purchased on a time-of-supply basis.

Qualifying facilities that have a design capacity of 60 kilowatts or less must elect to have their energy metered and purchased on: (1) a time-of-supply basis; or (2) a total period basis; or (3) a net-energy billing basis. Whereby they may run their meters backwards and receive an energy payment at the current short-run energy rate for the positive net difference between kWh delivered and consumed. Under Option (3) facilities must still pay the minimum charge for electric service under the applicable tariff in each billing period.

Issued per Order in DTE 97-120 dated February 20, 1998

For Consumption On and After March 1, 1998

WESTERN MASSACHUSETTS ELECTRIC COMPANY

MDTE No. 1014B Cancels MDPU No. 586

POWER PURCHASE SCHEDULE Page 2 of 2

Where no time differentiating meter is installed, the Company will purchase all electricity supplied by the qualifying facility at a price equal to the Company's average avoided energy cost per kWh.

PURCHASE OF BACK-UP/SUPPLEMENTARY/MAINTENANCE POWER BY THE CUSTOMER: The customer's rate for power supplied by the Company shall be determined in accordance with the provisions of 220 CMR Section 8.06, <u>Rates for Sale of Electricity by Utilities to Qualifying Facilities.</u>

TERM OF CONTRACT: If the qualifying facility owns the metering equipment, there will be no term of contract. Otherwise, the term of contract under this schedule shall be one year with one month's notice required thereafter for termination by the qualifying facility. For customers whose installed capacity exceeds 1,000 kW, the Company reserves the right, upon 48 hours prior notice where practicable, to interrupt purchases and to refuse to purchase energy at times of system emergency or where, due to operational circumstances, such purchase will result in costs greater than those which the Company would otherwise experience.